



TO: School Superintendents, Directors, Business Managers, and Treasurers

**FROM: Melissa K. Ambre, Director, Office of School Finance
Amy Pattison, Assistant Director, Office of School Finance**

RE: Every Student Succeeds Act (ESSA) School Building Level Requirements

DATE: December 15, 2017

In 2015, the Every Student Succeeds Act (ESSA) was signed into law, and with it came a requirement that all states report per-pupil expenditures down to the school level on district and school report cards. What has been required and reported across the state is *district*-level spending. But the new federal financial transparency clause calls on states to publicly report spending *by school*. This change will make a slew of never-before-available school-level financials easily accessible to communities and school systems.

For our state, this level financial reporting is unprecedented, but provides a tremendous opportunity to build an information system that can be used to drive improvements for our schools. School-level financial data will enable education leaders and stakeholders at all levels to better understand spending patterns across the state and individual districts, and use that knowledge for the benefit of our students.

Since July 1, 2017, our state's financial accounting structure enables the use of school-level coding for all expenditures. However, at present, our state does not have any consistent use of school-level coding for expenditures, though we are aware that many school districts do use school location codes of their own for some of their expenditures. As such, the state is developing additional guidance and principles to assist districts for whom this more detailed level of coding is new.

During the last several months, we have developed a pilot group of school business officers, internal state and other state agencies to assist with review and development of a plan for complete data collection and reporting that will go into effect for the 2018-2019 school year (as required by ESSA). As that work progresses, we will send regular updates to school districts as processes are developed, approved and implemented. Additional updates on the work will be available in the Finance Community of the Learning Connection > Files and Bookmarks > ESSA at the following link: <https://learningconnection.doe.in.gov/Login.aspx?ret=%2fdefault.aspx>.

Our state's main priority is to ensure all districts are prepared to meet this data reporting requirement, and then in turn use the data effectively to drive improvements at the local level.

While districts await further details from the Department, we encourage district leadership to engage in initial review of spending by school for discussion. Doing so will enable district leaders to explore spending patterns that might warrant further review and discussion. District financial teams might assemble a "first look" at spending at each school by populating a table similar to the First Look example provided below.



Dr. Jennifer McCormick
Superintendent of Public Instruction

DEPARTMENT OF EDUCATION

Working Together for Student Success

The following table contains a prepopulated First Look report. If your team would like to prepare a draft First Look Report, please email us at form9@doe.in.gov for a template. As your district engages in these early analyses and explorations, we welcome insight or feedback. You can direct questions or comments to Form9@doe.in.gov. Or for more information or resources on this federal requirement, see the following:

Blog post by Dr. Marguerite Roza about this requirement: [School Finance is Coming Out of the Dark Ages](#)

Resources from the U.S. Department of Education Building State Capacity and Productivity (BSCP) Center: www.bscpcenter.org/ftresources



DRAFT FIRST LOOK REPORT

Corporation 1234		School A	School B	Corporation Total
Federal	Instructional	\$236,221.45	\$559,838.39	\$796,059.84
	Other Instructional	\$0.00	\$201,541.82	\$201,541.82
	Operational	\$557.40	\$1,028.58	\$1,585.98
	Total Federal	\$236,778.85	\$762,408.79	\$999,187.64
State/Local	Instructional	\$6,714,898.77	\$13,010,116.36	\$19,725,015.13
	Other Instructional	\$0.00	\$6,229,371.61	\$6,229,371.61
	Operational	\$2,591,620.65	\$4,782,353.67	\$7,373,974.32
	Total State/Local	\$9,306,519.42	\$24,021,841.64	\$33,328,361.06
Total	Instructional	\$6,951,120.22	\$13,569,954.75	\$20,521,074.97
	Other Instructional	\$0.00	\$6,430,913.43	\$6,430,913.43
	Operational	\$2,592,178.05	\$4,783,382.24	\$7,375,560.29
	Enrollment	1099	2028	3127
Total Expenditures		\$9,543,298.27	\$24,784,250.42	\$34,327,548.70

Note: Instructional expenditures include "Instructional" plus "Other Instructional"

Corporation 1234 Per Student		School A	School B	Corporation Total
Federal	Instructional	\$214.94	\$276.05	\$254.58
	Other Instructional	\$0.00	\$99.38	\$64.45
	Operational	\$0.51	\$0.51	\$0.51
	Total Federal	\$215.45	\$375.94	\$319.54
State/Local	Instructional	\$6,110.01	\$6,415.24	\$6,307.97
	Other Instructional	\$0.00	\$3,071.68	\$1,992.12
	Operational	\$2,358.16	\$2,358.16	\$2,358.16
	Total State/Local	\$8,468.17	\$11,845.09	\$10,658.25
Total	Instructional	\$6,324.95	\$6,691.30	\$6,562.54
	Other Instructional	\$0.00	\$3,171.06	\$2,056.58
	Operational	\$2,358.67	\$2,358.67	\$2,358.67
Total Per Student Expenditures		\$8,683.62	\$12,221.03	\$10,977.79

Excluded Expenditures	Non-operational Costs	\$1,152,800.00	\$37,480.00	\$1,190,280.00
Other Excluded Expenditures	On Behalf of NonPublic School Students	\$48,260.00	\$0.00	\$48,260.00
Total Excluded Expenditures		\$1,201,060.00	\$37,480.00	\$1,238,540.00
Corporation-wide Grand Total All Expenditures		\$10,744,358.27	\$24,821,730.42	\$35,566,088.70